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C O N F I D E N T I A L SECTION 01 OF 02 KHARTOUM 001780

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TAGS: PGOV PHUM PREL ABLD EFIN IBRD UG SU

SUBJECT: VICE PRESIDENT MACHAR COMMENTS ON LRA MEDIATION,

WORLD BANK RELATIONS, NEW U.S. CONSULATE

REF: A. KHARTOUM 1774

¶B. KHARTOUM 1775

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Classified By: P/E Eric Whitaker for reasons: 1.4 (b) and (d).

11. (SBU) Summary: CG Juba met with GoSS Vice President Machar on July 21 to review Machar's mediation between the Lord's Resistance Army (LRA) and the Government of Uganda (GOU), the strained GoSS relationship with the World Bank, and the need for GoSS cooperation in completing due diligence requirements on the new consulate compound site. Machar admitted that the mediation was slow going and called for greater U.S. support for the effort. He expressed great exasperation with the Bank. Machar said that he would do his utmost to break loose required documentation for the New Consulate Compound (NCC). End summary.

Mediation Moves Ahead

- 12. (SBU) Machar told CG that while no breakthrough between the LRA and GOU was in sight, neither party had walked out of the talks. He said that discussion of the first agenda item, a cessation of hostilities (Ref a), had concluded with general consensus, although the GOU had refused to formalize any agreement until the second point, the political and economic background to the conflict, had been discussed. On July 20, the mediation effort had jumped directly to the third agenda point, reconciliation and accountability. Machar said that the Ugandans had backed away from their refusal to allow civil society and religious observers from Northern Uganda and Southern Sudan to participate directly in the talks. He said that he would propose, and expected that both parties would accept, that these observers address the mediation session directly on July 21.
- 13. (SBU) In response to the CG's query, Machar said that he thought that the LRA delegation could undertake commitments on the behalf of LRA military leaders in the bush if sufficient consultation took place beforehand. He said that Joseph Kony had asked to meet directly with religious leaders, civil society, and tribal elders from Northern Uganda, and that Machar himself would take this group as well as Southern Sudanese civil society leaders to meet with Kony in his camp on July 25. CG asked if any firm position on accountability emerged from the July 20 discussions. Machar said that it had not but cautioned that reconciliation should not be taken to mean impunity.
- 14. (C) Machar pitched for greater U.S. support for the

mediation effort. He said that Sant'Egidio (Ref a) represented the Vatican and that Pax Christi was the de facto representative of the Dutch. In addition, a Swiss diplomat attended the sessions and the day before the UN sent a UNICEF official to observe the talks. Machar said that he would request actual UN participation in the form of an expert on IDPs and said that a U.S. observer - not participant - would be warmly welcomed.

15. (SBU) Note: A Swiss representative has been in touch with the CG directly and explained that the Swiss are looking to give whatever support was needed, logistical, financial, or consultative, to make the talks work. She also seemed eager to get additional U.S. support for the project. CG replied that we are keeping a distance from the talks for the time being. End Note.

Jousting with the Bank

16. (SBU) Machar said that festering problems between the World Bank and the GoSS persisted. He gave his version of a July 19 meeting with Bank officials where "I (Machar) was upset and let them know it." He accused the Bank of unfairly refusing to release Multi-Donor Trust Fund (MDTF) support for the Juba Roads Project and the Housing Project for GoSS Officials (Ref b). Machar said that the Bank had released funds for hospital, GoSS ministry rehabilitation, and water/sanitation projects, but would not cooperate in other areas. The CG said that while the USG had not directly committed funds to the MDTF, we nonetheless hoped that some equitable solution could be found to speed up reconstruction of the South without sacrificing World Bank requirements for transparent and open contracting and procurement processes. Machar replied that he had insisted to the Bank team that the Director for Southern Sudan should be based in Juba, and not out of reach and sight in Washington.

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NCC

17. (SBU) The CG noted that over six months had been wasted since the GoSS granted the USG a 99-year lease for a new consular compound site on the outskirts of Juba, as necessary GOSS actions to permit groundbreaking had not been taken. The proximate cause of the delay was the continued failure of officials of Central Equatoria State to complete the formality of delivering a due diligence document that would permit the USG to move ahead with the project. The longer the delay, the longer it would take for the U.S. to establish a fully operational presence in Juba. Machar said that he was aware of the hold up and pledged to approach the proper state authorities within the following week to resolve the due diligence issue. STEINFELD